

REMARKS

This Amendment and Response is submitted in response to the Office Action mailed September 28, 2010.

At the outset, Applicant acknowledges with appreciation the interview with Examiner Lubin and the undersigned on October 21, 2010. Also present at the interview was Dr. Larry Colley, one of co-inventors of the present application. During the interview, the current status of the claims was discussed. An example of the invention was explained to the Examiner. The foregoing amendment to claim 1 is being made in light of that discussion. Support for the amendment is found in the original application on pages 8-17 of the application. Applicant is clarifying the articulation of the invention as a result of the discussion with the Examiner.

The present invention is directed to the special circumstances of health insurance. Health insurance policies include many diverse benefit design features that are only relevant to health insurance because they are unique to the health insurance industry. The different types of benefit design features incorporated in different health insurance products mean that an evaluator can not or should not use the same methodology to best discern the effect of changes of each of these unique benefit design features on a resulting premium. As presently claimed, two or more different methods of calculation are employed to calculate an expected premium. These are health insurance specific categories of consideration that call for those specific categories of methods of calculation. It is the recognition of the health insurance specific benefit design features and the unique methods of calculating the

effect on premiums as a result of differences in these particular features that set apart the present invention from the prior art that is directed solely to life insurance products that are fundamentally different from the present invention. In view of the foregoing amendments alone, Applicant submits that the claims are substantially distinct from any prior art methods.

Applicant would like to also reemphasize a point that it believes is being misunderstood. That is, the choice and careful selection of the calculation of a value index as claimed is a significant claim feature of the present invention. The calculation of a value index is the only way to get an apples to apples comparison of one health insurance product with another according to the present invention. It is not enough for an expected premium to be calculated based on the various teachings of the present invention or otherwise. There still needs to be an index calculation to compare the respective value of alternative health insurance products. While the expected premium calculation is important and is a part of the present invention, it alone is no measure of the comparative value of various health insurance products. Instead, the claimed value index picks special numbers in order to arrive at a relevant and useful value index. The numerator of the fraction that makes up the value index is the expected premium. The expected premium is a calculation that begins with a standard premium amount and then determines differences therefrom based on an alternative product's benefit design features. The numerator, therefore, is by its definition and nature a hybrid calculation that includes input from a standard insurance product and an alternative health insurance product. The

denominator of the value index fraction is the actual alternative premium amount. Accordingly, the index is a hybrid number using information and calculations that have information input from both standard and alternate health insurance plans.


The claimed value index is fundamentally and substantially different from any "index" identified in the cited Ryan prior art (Col. 21, line 58 – Col. 22, line 46). The only "index" described in Ryan includes information and input and calculations made on a single life insurance policy. There is no use of the standard policy and any separate/different alternate policy. There is no use of the very specifically chosen numerator and denominator to obtain a particular index that enables an apples to apples comparison. Accordingly, for this reason alone, Applicant submits that the claims are in condition for allowance.

For any one or more of the foregoing reasons, Applicants requests favorable action with respect to the claims of the present invention. Favorable action is requested hereon.

In the event that additional extensions of time are necessary to allow consideration of this paper, such extensions are hereby petitioned under 37 CFR § 1.136(a), and any fee required therefore (including fees for net addition of claims) is hereby authorized to be charged to Deposit Account No. 50-2127.

Respectfully submitted,

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John H. Thomas
Reg. No. 33,460

THOMAS & KARCESKI, P.C.
536 Granite Avenue
Richmond, Virginia 23226
Phone: (804) 344-8130
Fax: (804) 644-3643
E-Mail: info@ip-counsel.net